

1 building minus the cost of materials that become an ingredient or component part  
2 of the building.

3 **\*-0303/4.30\* SECTION 1491.** 77.51 (12p) of the statutes is created to read:

4 77.51 (12p) "Purchaser" means a person to whom a sale of tangible personal  
5 property is made or to whom a service is furnished.

6 **\*-0297/3.1\* SECTION 1492.** 77.51 (13) (a) of the statutes is amended to read:

7 77.51 (13) (a) Every seller who makes any sale, regardless of whether the sale  
8 is mercantile in nature, of tangible personal property or taxable a service specified  
9 under s. 77.52 (2) (a).

10 **\*-1796/3.6\* SECTION 1493.** 77.51 (13) (e) of the statutes is amended to read:

11 77.51 (13) (e) A person selling tangible personal property, audiovisual works,  
12 finished artwork, literary works, or audio works to a service provider who transfers  
13 the property, audiovisual work, finished artwork, literary work, or audio work in  
14 conjunction with the selling, performing or furnishing of any service and the  
15 property, audiovisual work, finished artwork, literary work, or audio work is  
16 incidental to the service, unless the service provider is selling, performing or  
17 furnishing services under s. 77.52 (2) (a) 7., 10., 11. and 20. This subsection does not  
18 apply to sub. (2).

19 **\*-1796/3.7\* SECTION 1494.** 77.51 (13) (f) of the statutes is amended to read:

20 77.51 (13) (f) A service provider who transfers tangible personal property,  
21 audiovisual works, finished artwork, literary works, or audio works in conjunction  
22 with but not incidental to the selling, performing or furnishing of any service and a  
23 service provider selling, performing or furnishing services under s. 77.52 (2) (a) 7.,  
24 10., 11. and 20. This subsection does not apply to sub. (2).

25 **\*-0303/4.31\* SECTION 1495.** 77.51 (13) (o) of the statutes is amended to read:

1           77.51 (13) (o) A person selling ~~medieine~~ drugs for animals to a veterinarian.  
2       As used in this paragraph, “animal” includes livestock, pets and poultry.

3           \*–0303/4.32\* SECTION 1496. 77.51 (13g) (intro.) of the statutes is amended to  
4       read:

5           77.51 (13g) (intro.) Except as provided in sub. (13h), “retailer engaged in  
6       business in this state”, ~~unless otherwise limited by federal statute~~, for purposes of  
7       the use tax, means any of the following:

8           \*–0303/4.33\* SECTION 1497. 77.51 (13g) (c) of the statutes is created to read:

9           77.51 (13g) (c) Any retailer selling tangible personal property or taxable  
10       services for storage, use, or other consumption in this state, unless otherwise limited  
11       by federal law.

12          \*–0303/4.34\* SECTION 1498. 77.51 (13s) of the statutes is created to read:

13          77.51 (13s) “Retail sale” or “sale at retail” means any sale, lease, or rental for  
14       any purpose other than resale, sublease, or subrent.

15          \*–0303/4.35\* SECTION 1499. 77.51 (14) (intro.) of the statutes is amended to  
16       read:

17          77.51 (14) (intro.) “Sale”, ~~“sale, lease or rental”, “retail sale”, “sale at retail”, or~~  
18       ~~equivalent terms include~~ includes any ~~one or all~~ of the following: the transfer of the  
19       ownership of, title to, possession of, or enjoyment of tangible personal property or  
20       services for use or consumption but not for resale as tangible personal property or  
21       services and includes:

22          \*–0303/4.36\* SECTION 1500. 77.51 (14) (a) of the statutes is amended to read:

23          77.51 (14) (a) Any sale at an auction in respect to tangible personal property  
24       which is sold to a successful bidder. ~~The proceeds from, except the sale of property~~  
25       sold at auction which is bid in by the seller and on which title does not pass to a new

1 purchaser shall be deducted from the gross proceeds of the sale and the tax paid only  
2 on the net proceeds.

3 **\*-0303/4.37\* SECTION 1501.** 77.51 (14) (d) of the statutes is repealed.

4 **\*-0303/4.38\* SECTION 1502.** 77.51 (14) (g) of the statutes is renumbered 77.51  
5 (15a) (b) 4.

6 **\*-0303/4.39\* SECTION 1503.** 77.51 (14) (i) of the statutes is repealed.

7 **\*-0303/4.40\* SECTION 1504.** 77.51 (14) (j) of the statutes is amended to read:

8 77.51 (14) (j) The granting of possession of tangible personal property by a  
9 lessor to a lessee, or to another person at the direction of the lessee. Such a  
10 transaction is deemed a continuing sale in this state by the lessor for the duration  
11 of the lease as respects any period of time the leased property is situated in this state,  
12 irrespective of the time or place of delivery of the property to the lessee or such other  
13 person.

14 **\*-0303/4.41\* SECTION 1505.** 77.51 (14) (k) of the statutes is repealed.

15 **\*-1796/3.8\* SECTION 1506.** 77.51 (14) (L) of the statutes is amended to read:

16 77.51 (14) (L) Transfers by a service provider of tangible personal property,  
17 audiovisual works, finished artwork, literary works, or audio works in conjunction  
18 with but not incidental to the selling, performing or furnishing of any service, and  
19 transfers by a service provider selling, performing or furnishing services under s.  
20 77.52 (2) (a) 7., 10., 11. and 20. This subsection does not apply to sub. (2).

21 **\*-0303/4.42\* SECTION 1507.** 77.51 (14) (L) of the statutes, as affected by 2005  
22 Wisconsin Act .... (this act), is repealed.

23 **\*-0303/4.43\* SECTION 1508.** 77.51 (14r) of the statutes is repealed.

24 **\*-0303/4.44\* SECTION 1509.** 77.51 (15) of the statutes is repealed.

25 **\*-0303/4.45\* SECTION 1510.** 77.51 (15a) of the statutes is created to read:

1           77.51 (15a) (a) “Sales, lease, or rental for resale, sublease, or subrent” includes  
2 transfers of tangible personal property, audiovisual works, finished artwork, literary  
3 works, and audio works to a service provider that the service provider transfers in  
4 conjunction with but not incidental to the selling, performing, or furnishing of any  
5 service, and transfers of tangible personal property, audiovisual works, finished  
6 artwork, literary works, and audio works to a service provider that the service  
7 provider physically transfers in conjunction with the selling, performing, or  
8 furnishing services under s. 77.52 (2) (a) 7., 10., 11., or 20. This paragraph does not  
9 apply to sub. (2).

10           (b) “Sales, lease, or rental for resale, sublease, or subrent” does not include any  
11 of the following:

12           1. The sale of building materials, supplies, and equipment to owners,  
13 contractors, subcontractors, or builders for use in real property construction  
14 activities or the alteration, repair, or improvement of real property, regardless of the  
15 quantity of such materials, supplies, and equipment sold.

16           2. Any sale of tangible personal property to a purchaser even though such  
17 property may be used or consumed by some other person to whom such purchaser  
18 transfers the tangible personal property without valuable consideration, such as  
19 gifts, and advertising specialties distributed gratis apart from the sale of other  
20 tangible personal property or service.

21           3. Transfers of tangible personal property, audiovisual works, finished  
22 artwork, literary works, and audio works to a service provider that the service  
23 provider transfers in conjunction with the selling, performing, or furnishing of any  
24 service, if the tangible personal property, audiovisual work, finished artwork,

1 literary work, and audio work is incidental to the service, unless the service provider  
2 is selling, performing, or furnishing services under s. 77.52 (2) (a) 7., 10., 11., or 20.

3 **\*-0303/4.46\* SECTION 1511.** 77.51 (15b) of the statutes is created to read:

4 77.51 (15b) (a) “Sales price” means the total amount of consideration, including  
5 cash, credit, property, and services, for which tangible personal property or services  
6 are sold, leased, or rented, valued in money, whether received in money or otherwise,  
7 without any deduction for the following:

8 1. The seller’s cost of the property sold.

9 2. The cost of materials used, labor or service cost, interest, losses, all costs of  
10 transportation to the seller, all taxes imposed on the seller, and any other expense  
11 of the seller.

12 3. Charges by the seller for any services necessary to complete a sale, not  
13 including delivery and installation charges.

14 4. a. Delivery charges, except as provided in par. (b) 4.

15 b. If a shipment includes property that is subject to tax under this subchapter  
16 and property that is not subject to tax under this subchapter, the amount of the  
17 delivery charge allocated to the property that is subject to tax under this subchapter  
18 based on the total sales price of the property that is subject to tax under this  
19 subchapter as compared to the total sales price of all the property or on the total  
20 weight of the property that is subject to tax under this subchapter as compared to the  
21 total weight of all the property.

22 5. Installation charges.

23 6. The value of exempt tangible personal property, if the exempt tangible  
24 personal property is bundled with taxable tangible personal property and sold by the  
25 seller as a single product or piece of merchandise.

(b) “Sales price” does not include:

1. Discounts, including cash, terms, or coupons, that are not reimbursed by a 3rd party; that are allowed by a seller; and that are taken by a purchaser on a sale.

2. Interest, financing, and carrying charges from credit that is extended on a sale of tangible personal property or services, if the amount of the interest, financing, or carrying charges is separately stated on the invoice, bill of sale, or similar document that the seller gives to the purchaser.

3. Any taxes legally imposed directly on the purchaser that are separately stated on the invoice, bill of sale, or similar document that the seller gives to the purchaser.

4. Delivery charges for direct mail.

5. In all transactions in which an article of tangible personal property is traded toward the purchase of an article of greater value, the amount of the sales price that represents the amount allowed for the article traded, except that this subdivision does not apply to any transaction to which subd. 7. or 8. applies.

6. If a person who purchases a motor vehicle presents a statement issued under s. 218.0171 (2) (cq) to the seller at the time of purchase, and the person presents the statement to the seller within 60 days from the date of receiving a refund under s. 218.0171 (2) (b) 2. b., the trade-in amount specified in the statement issued under s. 218.0171 (2) (cq), but not to exceed the sales price from the sale of the motor vehicle. This subdivision applies only to the first motor vehicle purchased by a person after receiving a refund under s. 218.0171 (2) (b) 2. b.

7. Thirty-five percent of the sales price, excluding trade-ins, of a new mobile home, as defined in s. 340.01 (29), that is a primary housing unit or of a new mobile home, as defined in s. 340.01 (29), that is transported in 2 unattached sections if the

1 total size of the combined sections, not including additions and attachments, is at  
2 least 984 square feet measured when the sections are ready for transport. This  
3 subdivision does not apply to a lease or rental.

4 8. At the retailer's option; except that after the retailer chooses an option the  
5 retailer may not use the other option for other sales without the department's written  
6 approval; either 35 percent of the sales price of a manufactured building, as defined  
7 in s. 101.71 (6), or an amount equal to the sales price of the manufactured building  
8 minus the cost of materials that become an ingredient or component part of the  
9 building.

10 **\*-0303/4.47\* SECTION 1512.** 77.51 (17) of the statutes is amended to read:

11 77.51 (17) "Seller" includes every person selling, leasing or renting tangible  
12 personal property or selling, performing or furnishing services of a kind the gross  
13 receipts sales price from the sale, lease, rental, performance or furnishing of which  
14 are is required to be included in the measure of the sales tax.

15 **\*-0303/4.48\* SECTION 1513.** 77.51 (17m) of the statutes is repealed and  
16 recreated to read:

17 77.51 (17m) "Service address" means any of the following:

18 (a) The location of the telecommunications equipment to which a customer's  
19 telecommunications service is charged and from which the telecommunications  
20 service originates or terminates, regardless of where the telecommunications service  
21 is billed or paid.

22 (b) If the location described under par. (a) is not known by the seller who sells  
23 the telecommunications service, the location where the signal of the  
24 telecommunications service originates, as identified by the seller's  
25 telecommunications system or, if the signal is not transmitted by the seller's

1 telecommunications system, by information that the seller received from the seller's  
2 service provider.

3 (c) If the locations described under pars. (a) and (b) are not known by the seller  
4 who sells the telecommunications service, the customer's place of primary use.

5 **\*-0303/4.49\* SECTION 1514.** 77.51 (17w) of the statutes is created to read:

6 77.51 (17w) "Soft drink" means a beverage that contains less than 0.5 percent  
7 of alcohol and that contains natural or artificial sweeteners. "Soft drink" does not  
8 include a beverage that contains milk or milk products; soy, rice, or similar milk  
9 substitutes; or more than 50 percent vegetable or fruit juice by volume.

10 **\*-0303/4.50\* SECTION 1515.** 77.51 (20) of the statutes is amended to read:

11 77.51 (20) "Tangible personal property" means ~~all tangible personal property~~  
12 ~~of every kind and description that can be seen, weighed, measured, felt, or touched,~~  
13 ~~or that is in any other manner perceptible to the senses,~~ and includes electricity,  
14 natural gas, steam and, water, and also leased property affixed to realty if the lessor  
15 has the right to remove the property upon breach or termination of the lease  
16 agreement, unless the lessor of the property is also the lessor of the realty to which  
17 the property is affixed. "Tangible personal property" also includes coins and stamps  
18 of the United States sold or traded as collectors' items above their face value and  
19 computer programs except custom prewritten computer programs software.

20 **\*-0303/4.51\* SECTION 1516.** 77.51 (21) of the statutes is amended to read:

21 77.51 (21) "Taxpayer" means the person who is required to pay, collect, or  
22 account for or who is otherwise directly interested in the taxes imposed by this  
23 subchapter, including a certified service provider.

24 **\*-0303/4.52\* SECTION 1517.** 77.51 (21p) of the statutes is created to read:



1           77.51 (21p) “Tobacco” means cigarettes, cigars, chewing tobacco, pipe tobacco,  
2           and any other item that contains tobacco.

3           \*–0303/4.53\* **SECTION 1518.** 77.51 (22) (bm) of the statutes is created to read:

4           77.51 (22) (bm) In this subsection, “exercise of any right or power over tangible  
5           personal property or taxable services” includes distributing, selecting recipients,  
6           determining mailing schedules, or otherwise directing the distribution,  
7           dissemination, or disposal of tangible personal property or taxable services,  
8           regardless of whether the purchaser of such property or services owns or physically  
9           possesses, in this state, the property or services.

10          \*–1796/3.9\* **SECTION 1519.** 77.52 (1) of the statutes is renumbered 77.52 (1) (a).

11          \*–0303/4.54\* **SECTION 1520.** 77.52 (1) (a) of the statutes, as affected by 2005  
12          Wisconsin Act .... (this act), is amended to read:

13          77.52 (1) (a) For the privilege of selling, licensing, leasing or renting tangible  
14          personal property, including accessories, components, attachments, parts, supplies  
15          and materials, at retail a tax is imposed upon all retailers at the rate of 5% of the  
16          ~~gross receipts~~ sales price from the sale, license, lease or rental of tangible personal  
17          property, including accessories, components, attachments, parts, supplies and  
18          materials, sold, leased or rented at retail in this state.

19          \*–1796/3.10\* **SECTION 1521.** 77.52 (1) (b) of the statutes is created to read:

20          77.52 (1) (b) For the privilege of selling, licensing, leasing, or renting  
21          audiovisual works, finished artwork, literary works, and audio works that are  
22          delivered electronically to a purchaser, a tax is imposed on all retailers at the rate  
23          of 5 percent of the gross receipts from the sale, license, lease, or rental of the  
24          audiovisual works, finished artwork, literary works, and audio works.

1           **\*-1796/3.11\* SECTION 1522.** 77.52 (1) (b) of the statutes, as created by 2005  
2       Wisconsin Act .... (this act), is repealed and recreated to read:

3           77.52 (1) (b) For the privilege of selling, licensing, leasing, or renting  
4       audiovisual works, finished artwork, literary works, and audio works that are  
5       delivered electronically to a purchaser, a tax is imposed on all retailers at the rate  
6       of 5 percent of the sales price from the sale, license, lease, or rental of the audiovisual  
7       works, finished artwork, literary works, and audio works.

          \*\*\*\*NOTE: This is reconciled s. 77.52 (1) (b). This SECTION has been affected by  
LRB-0303/2.

8           **\*-0303/4.55\* SECTION 1523.** 77.52 (1) (c) of the statutes is created to read:  
9           77.52 (1) (c) For the privilege of selling at retail coins and stamps of the United  
10       States that are sold or traded as collectors' items above their face value, a tax is  
11       imposed on all retailers at the rate of 5 percent of the sales price from the sale of such  
12       coins and stamps.

13          **\*-0303/4.56\* SECTION 1524.** 77.52 (1) (d) of the statutes is created to read:  
14          77.52 (1) (d) For the privilege of leasing property that is affixed to real property,  
15       a tax is imposed on all retailers at the rate of 5 percent of the sales price from the lease  
16       of such property, if the lessor has the right to remove the leased property upon breach  
17       or termination of the lease agreement, unless the lessor of the leased property is also  
18       the lessor of the real property to which the leased property is affixed.

19          **\*-0303/4.57\* SECTION 1525.** 77.52 (2) (intro.) of the statutes is amended to  
20       read:

21          77.52 (2) (intro.) For the privilege of selling, licensing, performing or furnishing  
22       the services described under par. (a) at retail in this state to consumers or users, a  
23       tax is imposed upon all persons selling, licensing, performing or furnishing the

1 services at the rate of 5% of the ~~gross receipts~~ sales price from the sale, license,  
2 performance or furnishing of the services.

3 \***-0303/4.58\* SECTION 1526.** 77.52 (2) (a) 5. a. of the statutes is amended to  
4 read:

5 77.52 (2) (a) 5. a. The sale of telecommunications services, except services  
6 subject to 4 USC 116 to 126, as amended by P.L. 106-252, that either originate or  
7 terminate in this state; except services that are obtained by means of a toll-free  
8 number, that originate outside this state and that terminate in this state; and are  
9 charged to a service address in this state, regardless of the location where that charge  
10 is billed or paid; and the sale of ~~the rights to purchase telecommunications services,~~  
11 ~~including purchasing reauthorization numbers, by paying in advance and by using~~  
12 ~~an access number and authorization code~~ a prepaid calling service as defined in s.  
13 77.522 (3) (a) 11, except sales that are subject to subd. 5. b.

14 \***-0303/4.59\* SECTION 1527.** 77.52 (2) (a) 10. of the statutes is amended to read:

15 77.52 (2) (a) 10. Except for installing or applying tangible personal property  
16 which, when installed or applied, will constitute an addition or capital improvement  
17 of real property, the repair, service, alteration, fitting, cleaning, painting, coating,  
18 towing, inspection, and maintenance of all items of tangible personal property  
19 unless, at the time of such repair, service, alteration, fitting, cleaning, painting,  
20 coating, towing, inspection, or maintenance, a sale in this state of the type of property  
21 repaired, serviced, altered, fitted, cleaned, painted, coated, towed, inspected, or  
22 maintained would have been exempt to the customer from sales taxation under this  
23 subchapter, other than the exempt sale of a motor vehicle or truck body to a  
24 nonresident under s. 77.54 (5) (a) and other than nontaxable sales outside this state  
25 under s. 77.51 (14r) 77.522 or unless the repair, service, alteration, fitting, cleaning,

1 painting, coating, towing, inspection, or maintenance is provided under a contract  
2 that is subject to tax under subd. 13m. For purposes of this paragraph, the following  
3 items shall be considered to have retained their character as tangible personal  
4 property, regardless of the extent to which any such item is fastened to, connected  
5 with, or built into real property: furnaces, boilers, stoves, ovens, including associated  
6 hoods and exhaust systems, heaters, air conditioners, humidifiers, dehumidifiers,  
7 refrigerators, coolers, freezers, water pumps, water heaters, water conditioners and  
8 softeners, clothes washers, clothes dryers, dishwashers, garbage disposal units,  
9 radios and radio antennas, incinerators, television receivers and antennas, record  
10 players, tape players, jukeboxes, vacuum cleaners, furniture and furnishings,  
11 carpeting and rugs, bathroom fixtures, sinks, awnings, blinds, gas and electric logs,  
12 heat lamps, electronic dust collectors, grills and rotisseries, bar equipment,  
13 intercoms, recreational, sporting, gymnasium and athletic goods and equipment  
14 including by way of illustration but not of limitation bowling alleys, golf practice  
15 equipment, pool tables, punching bags, ski tows, and swimming pools; equipment in  
16 offices, business facilities, schools, and hospitals but not in residential facilities  
17 including personal residences, apartments, long-term care facilities, as defined  
18 under s. 16.009 (1) (em), state institutions, as defined under s. 101.123 (1) (i), Type  
19 1 secured correctional facilities, as defined in s. 938.02 (19), or similar facilities  
20 including, by way of illustration but not of limitation, lamps, chandeliers, and fans,  
21 venetian blinds, canvas awnings, office and business machines, ice and milk  
22 dispensers, beverage-making equipment, vending machines, soda fountains, steam  
23 warmers and tables, compressors, condensing units and evaporative condensers,  
24 pneumatic conveying systems; laundry, dry cleaning, and pressing machines, power  
25 tools, burglar alarm and fire alarm fixtures, electric clocks and electric signs.

1 “Service” does not include services performed by veterinarians. The tax imposed  
2 under this subsection applies to the repair, service, alteration, fitting, cleaning,  
3 painting, coating, towing, inspection, or maintenance of items listed in this  
4 subdivision, regardless of whether the installation or application of tangible  
5 personal property related to the items is an addition to or a capital improvement of  
6 real property, except that the tax imposed under this subsection does not apply to the  
7 original installation or the complete replacement of an item listed in this subdivision,  
8 if such installation or replacement is a real property construction activity under s.  
9 77.51 (2).

10 \***-0303/5.60\* SECTION 1528.** 77.52 (2) (a) 13m. of the statutes is created to read:

11 77.52 (2) (a) 13m. The sale of contracts, including service contracts,  
12 maintenance agreements, and warranties, that provide, in whole or in part, for the  
13 future performance of or payment for the repair, service, alteration, fitting, cleaning,  
14 painting, coating, towing, inspection, or maintenance of tangible personal property,  
15 unless the sale, lease, or rental in this state of the property to which the contract  
16 relates is or was exempt, to the purchaser of the contract, from taxation under this  
17 subchapter.

18 \***-1796/3.12\* SECTION 1529.** 77.52 (2m) (a) of the statutes is amended to read:

19 77.52 (2m) (a) With respect to the services subject to tax under sub. (2), no part  
20 of the charge for the service may be deemed a sale or rental of tangible personal  
21 property, audiovisual works, finished artwork, literary works, or audio works if the  
22 property, audiovisual work, finished artwork, literary work, or audio work  
23 transferred by the service provider is incidental to the selling, performing or  
24 furnishing of the service, except as provided in par. (b).

25 \***-1796/3.13\* SECTION 1530.** 77.52 (2m) (b) of the statutes is amended to read:

1           77.52 (2m) (b) With respect to the services subject to tax under sub. (2) (a) 7.,  
2           10., 11. and 20., all property, audiovisual works, finished artwork, literary works, or  
3           audio works physically transferred to the customer in conjunction with the selling,  
4           performing or furnishing of the service is a sale of tangible personal property,  
5           audiovisual works, finished artwork, literary works, or audio works separate from  
6           the selling, performing or furnishing of the service.

7           \*-0303/4.60\* SECTION 1531. 77.52 (3m) of the statutes is repealed.

8           \*-0303/4.61\* SECTION 1532. 77.52 (6) of the statutes is repealed.

9           \*-0303/4.62\* SECTION 1533. 77.52 (7) of the statutes is amended to read:

10          77.52 (7) Every person desiring to operate as a seller within this state who  
11          holds a valid certificate under s. 73.03 (50) shall file with the department an  
12          application for a permit for each place of operations. Every application for a permit  
13          shall be made upon a form prescribed by the department and shall set forth the name  
14          under which the applicant intends to operate, the location of the applicant's place of  
15          operations, and the other information that the department requires. The Except as  
16          provided in sub. (7b), the application shall be signed by the owner if a sole proprietor;  
17          in the case of sellers other than sole proprietors, the application shall be signed by  
18          the person authorized to act on behalf of such sellers. A nonprofit organization that  
19          has ~~gross receipts~~ a sales price taxable under s. 77.54 (7m) shall obtain a seller's  
20          permit and pay taxes under this subchapter on all taxable ~~gross receipts~~ sales prices  
21          received after it is required to obtain that permit. If that organization becomes  
22          eligible later for the exemption under s. 77.54 (7m) except for its possession of a  
23          seller's permit, it may surrender that permit.

24          \*-0303/4.63\* SECTION 1534. 77.52 (7b) of the statutes is created to read:

1           77.52 (7b) Any person who may register under sub. (7) may designate an agent,  
2 as defined in s. 77.524 (1) (ag), to register with the department under sub. (7), in the  
3 manner prescribed by the department.

4           \*–0303/4.64\* SECTION 1535. 77.52 (13) of the statutes is amended to read:

5           77.52 (13) For the purpose of the proper administration of this section and to  
6 prevent evasion of the sales tax it shall be presumed that all receipts are subject to  
7 the tax until the contrary is established. The burden of proving that a sale of tangible  
8 personal property or services is not a taxable sale at retail is upon the person who  
9 makes the sale unless that person takes from the purchaser ~~a~~ an electronic or paper  
10 certificate, in a manner prescribed by the department, to the effect that the property  
11 or service is purchased for resale or is otherwise exempt, except that no certificate  
12 is required for sales of cattle, sheep, goats, and pigs that are sold at an animal  
13 market, as defined in s. 95.68 (1) (ag), and no certificate is required for sales of  
14 commodities, as defined in 7 USC 2, that are consigned for sale in a warehouse in or  
15 from which the commodity is deliverable on a contract for future delivery subject to  
16 the rules of a commodity market regulated by the U.S. commodity futures trading  
17 commission if upon the sale the commodity is not removed from the warehouse the  
18 sale of tangible personal property that is exempt under s. 77.54 (7), (7m), (8), (10),  
19 (11), (14), (14b), (15), (17), (20n), (21), (22b), (30), (31), (32), (35), (36), (37), (42), (44),  
20 (45), and (46), except as provided in s. 77.54 (30) (e) and (f).

21           \*–0303/4.65\* SECTION 1536. 77.52 (14) (a) (intro.) and 1. and (b) of the statutes  
22 are consolidated, renumbered 77.52 (14) and amended to read:

23           77.52 (14) The certificate referred to in sub. (13) relieves the seller from the  
24 burden of proof only if ~~any of the following is true:~~ 1. The ~~The~~ the certificate is taken in  
25 good faith from a person who is engaged as a seller of tangible personal property or

1 ~~taxable services and who holds the permit provided for in sub. (9) and who, at the~~  
2 ~~time of purchasing that the person purchases the tangible personal property or~~  
3 ~~services, intends to sell it in the regular course of operations or is unable to ascertain~~  
4 ~~at the time of purchase whether the property or service will be sold or will be used~~  
5 ~~for some other purpose. (b). The certificate under sub. (13) shall not relieve the seller~~  
6 ~~of the burden of proof if the sale is sourced to this state under s. 77.522 (1) (b) 1. and~~  
7 ~~the claimed exemption is not provided for under this subchapter or if the seller~~  
8 ~~fraudulently fails to collect sales tax or solicits the purchaser to claim an unlawful~~  
9 ~~exemption. The certificate referred to in sub. (13) shall be signed by and bear the~~  
10 ~~name and address of provide information that identifies the purchaser, and shall~~  
11 ~~indicate the general character of the tangible personal property or service sold by the~~  
12 ~~purchaser and the basis for the claimed exemption and a paper certificate shall be~~  
13 ~~signed by the purchaser. The certificate shall be in such form as the department~~  
14 ~~prescribes by rule.~~

15 \*~~0303/4.66~~\* SECTION 1537. 77.52 (14) (a) 2. of the statutes is repealed.

16 \*~~0303/4.67~~\* SECTION 1538. 77.52 (15) of the statutes is amended to read:

17 77.52 (15) If a purchaser who ~~gives a resale certificate purchases tangible~~  
18 ~~personal property or taxable services without paying a sales tax or use tax on such~~  
19 ~~purchase because such property or services were for resale~~ makes any use of the  
20 property ~~or services~~ other than retention, demonstration or display while holding it  
21 ~~the property or services~~ for sale, lease or rental in the regular course of the  
22 purchaser's operations, the use shall be taxable to the purchaser under s. 77.53 as  
23 of the time ~~that the property is or services are~~ first used by the purchaser, and the  
24 ~~sales purchase price of the property or services~~ to the purchaser shall be the measure  
25 of the tax. ~~Only when there is an unsatisfied use tax liability on this basis because~~



1 ~~the seller has provided incorrect information about that transaction to the~~  
2 ~~department shall the seller be liable for sales tax with respect to the sale of the~~  
3 ~~property to the purchaser.~~

4 **\*-0303/4.68\* SECTION 1539.** 77.522 of the statutes is created to read:

5 **77.522 Sourcing. (1) GENERAL.** (a) In this section:

6 1. “Direct mail form” means a form for direct mail prescribed by the  
7 department.

8 2. “Multiple-points-of-use exemption form” means the  
9 multiple-points-of-use exemption form, as prescribed by the department.

10 3. “Product” includes tangible personal property, digital goods, and services.

11 4. “Receive” means taking possession of tangible personal property; making  
12 first use of services; or taking possession or making first use of digital goods,  
13 whichever comes first. “Receive” does not include a shipping company taking  
14 possession of tangible personal property on a purchaser’s behalf.

15 5. “Transportation equipment” means all of the following:

16 a. Locomotives and railcars that are used to carry persons or property in  
17 interstate commerce.

18 b. Trucks and truck tractors that have a gross vehicle weight rating of 10,001  
19 pounds or greater, trailers, semitrailers, and passenger buses, if such vehicles are  
20 registered under the International Registration Plan and operated under the  
21 authority of a carrier that is authorized by the federal government to carry persons  
22 or property in interstate commerce.

23 c. Aircraft that is operated by air carriers that are authorized by the federal  
24 government or a foreign authority to carry persons or property in interstate or  
25 foreign commerce.

1 d. Containers that are designed for use on the vehicles described in subd. 5. a.  
2 to c. and component parts attached to or secured on such vehicles.

3 (b) Except as provided in pars. (c) to (d) and subs. (2), (3), and (4), the location  
4 of a sale is determined as follows:

5 1. If a purchaser receives the product at a seller's business location, the sale  
6 occurs at that business location.

7 2. If a purchaser does not receive the product at a seller's business location, the  
8 sale occurs at the location where the purchaser, or the purchaser's designated donee,  
9 receives the product, including the location indicated by the instructions known to  
10 the seller for delivery to the purchaser or the purchaser's designated donee.

11 3. If the location of a sale of a product cannot be determined under subds. 1. and  
12 2., the sale occurs at the purchaser's address as indicated by the seller's business  
13 records, if the records are maintained in the ordinary course of the seller's business  
14 and if using that address to establish the location of a sale is not in bad faith.

15 4. If the location of a sale of a product cannot be determined under subds. 1. to  
16 3., the sale occurs at the purchaser's address as obtained during the consummation  
17 of the sale, including the address indicated on the purchaser's payment instrument,  
18 if no other address is available and if using that address is not in bad faith.

19 5. If the location of a sale of a product cannot be determined under subds. 1. to  
20 4., the location of the sale is determined as follows:

21 a. If the item sold is tangible personal property, the sale occurs at the location  
22 from which the tangible personal property is shipped.

23 b. If the item sold is a digital good, or computer software delivered  
24 electronically, the sale occurs at the location from which the digital good or computer  
25 software was first available for transmission by the seller.

1           c. If a service is sold, the sale occurs at the location from which the service was  
2           provided.

3           (c) The sale of direct mail occurs at the location from which the direct mail is  
4           shipped, if the purchaser does not provide to the seller a direct pay permit, a direct  
5           mail form, or other information that indicates the appropriate taxing jurisdiction to  
6           which the direct mail is delivered to the ultimate recipients. If the purchaser  
7           provides a direct mail form or direct payment to the seller, the purchaser shall pay  
8           or remit, as appropriate, to the department the tax imposed under s. 77.53 (1) on all  
9           purchases for which the tax is due and the seller is relieved from liability for  
10          collecting such tax. A direct mail form provided to a seller under this paragraph shall  
11          remain effective for all sales by the seller who received the form to the purchaser who  
12          provided the form, unless the purchaser revokes the form in writing and provides  
13          such revocation to the seller.

14          (d) 1. A business purchaser who purchases a service, digital good, or computer  
15          software that is delivered electronically, who does not hold a direct pay permit under  
16          s. 77.52 (17m), and who knows at the time of purchase that the service, good, or  
17          software will be concurrently available for use in more than one taxing jurisdiction  
18          shall provide a multiple-points-of-use exemption form to the seller, in conjunction  
19          with the purchase, and shall pay or remit, as appropriate, to the department the tax  
20          imposed under s. 77.53 (1) on all purchases for which the tax is due.

21          2. To apportion the amount of the tax due multiple taxing jurisdictions, a  
22          purchaser who provides an exemption form under subd. 1. shall use any reasonable,  
23          consistent, and uniform apportionment method supported by the purchaser's  
24          business records that exist at the time of the sale.

1           3. An exemption form provided under subd. 1. shall remain effective for all sales  
2 by the seller who received the form to the purchaser who provided the form, unless  
3 the purchaser revokes the form in writing and provides such a revocation to the  
4 seller.

5           4. A business purchaser who purchases a service, digital good, or computer  
6 software that is delivered electronically, who holds a direct pay permit under s. 77.52  
7 (17m), and who knows at the time of purchase that the service, good, or software will  
8 be concurrently available for use in more than one taxing jurisdiction is not required  
9 to provide a multiple-points-of-use exemption form to the seller, but shall collect,  
10 pay, or remit, as appropriate, to the department the tax imposed under s. 77.53 (1)  
11 and shall use the apportionment method described under subd. 2. to apportion the  
12 tax due multiple taxing jurisdictions.

13           5. A seller who receives a multiple-points-of-use exemption form under this  
14 paragraph is relieved from liability for collecting the tax imposed under s. 77.53 (1)  
15 on purchases related to the multiple-points-of-use exemption form.

16           **(2) LEASE OR RENTAL.** (a) Except as provided in pars. (b) and (c), with regards  
17 to the first or only payment on the lease or rental, the lease or rental of tangible  
18 personal property occurs at the location determined under sub. (1) (b). If the property  
19 is moved from the place where the property was initially delivered, the subsequent  
20 periodic payments on the lease or rental occur at the property's primary location as  
21 indicated by an address for the property that is provided by the lessee and that is  
22 available to the lessor in records that the lessor maintains in the ordinary course of  
23 the lessor's business, if the use of such an address does not constitute bad faith. The  
24 location of a lease or rental as determined under this paragraph shall not be altered  
25 by any intermittent use of the property at different locations.

1 (b) The lease or rental of motor vehicles, trailers, semitrailers, and aircraft,  
2 that are not transportation equipment, occurs at the primary location of such motor  
3 vehicles, trailers, semitrailers, or aircraft as indicated by an address for the property  
4 that is provided by the lessee and that is available to the lessor in records that the  
5 lessor maintains in the ordinary course of the lessor's business, if the use of such an  
6 address does not constitute bad faith, except that a lease or rental under this  
7 paragraph that requires only one payment occurs at the location determined under  
8 sub. (1) (b). The location of a lease or rental as determined under this paragraph shall  
9 not be altered by any intermittent use of the property at different locations.

10 (c) The lease or rental of transportation equipment occurs at the location  
11 determined under sub. (1) (b).

12 (d) A license of tangible personal property shall be treated as a lease or rental  
13 of tangible personal property under this subsection.

14 **(3) TELECOMMUNICATIONS.** (a) In this subsection:

15 1. "Air-to-ground radiotelephone service" means a radio service in which  
16 common carriers are authorized to offer and provide radio telecommunications  
17 service for hire to subscribers in aircraft.

18 2. "Call-by-call basis" means any method of charging for telecommunications  
19 services by which the price of such services is measured by individual calls.

20 3. "Communications channel" means a physical or virtual path of  
21 communications over which signals are transmitted between or among customer  
22 channel termination points.

23 4. "Customer" means a person who enters into a contract with a seller of  
24 telecommunications services or, in any transaction for which the end user is not the  
25 person who entered into a contract with the seller of telecommunications services,

the end user of the telecommunications services. “Customer” does not include a person who resells telecommunications services or, for mobile telecommunications services, a serving carrier under an agreement to serve a customer outside the home service provider’s licensed service area.

5. “Customer channel termination point” means the location where a customer inputs or receives communications.

6. “End user” means an individual who uses a telecommunications service.

7. “Home service provider” means a home service provider under section 124 (5) of P.L. 106–252.

8. “Mobile telecommunications service” means a mobile telecommunications service under 4 USC 116 to 126, as amended by P.L. 106–252.

9. “Place of primary use” means place of primary use, as determined under 4 USC 116 to 126, as amended by P.L. 106–252.

10. “Postpaid calling service” means a telecommunications service that is obtained by paying for it on a call-by-call basis using a bankcard, travel card, credit card, debit card, or similar method, or by charging it to a telephone number that is not associated with the location where the telecommunications service originates or terminates. “Postpaid calling service” includes a service that would otherwise be a prepaid calling service except that the service provided to the customer is not exclusively a telecommunications service.

11. “Prepaid calling service” means the right to access services that are exclusively telecommunications services, if that right is paid for in advance of providing such services, requires using an access number or authorization code to originate calls, and is sold in predetermined units or dollars that decrease with use in a known amount.

1           12. “Private communication service” means a telecommunications service that  
2           entitles the customer to exclusive or priority use of a communications channel or  
3           group of communications channels, regardless of the manner in which the  
4           communications channel or group of communications channels is connected, and  
5           includes switching capacity, extension lines, stations, and other associated services  
6           that are provided in connection with the use of such channel or channels.

7           13. “Radio service” means a communication service provided by the use of radio,  
8           including radiotelephone, radiotelegraph, paging, and facsimile service.

9           14. “Radiotelegraph service” means transmitting messages from one place to  
10          another by means of radio.

11          15. “Radiotelephone service” means transmitting sound from one place to  
12          another by means of radio.

13          (b) Except as provided in pars. (d) to (g), the sale of a telecommunications  
14          service that is sold on a call-by-call basis occurs in the taxing jurisdiction for sales  
15          and use tax purposes where the call originates and terminates, in the case of a call  
16          that originates and terminates in the same such jurisdiction, or the taxing  
17          jurisdiction for sales and use tax purposes where the call originates or terminates  
18          and where the service address is located.

19          (c) Except as provided in pars. (d) to (g), the sale of a telecommunications  
20          service that is sold on a basis other than a call-by-call basis occurs at the customer’s  
21          place of primary use.

22          (d) The sale of a mobile telecommunications service, except an air-to-ground  
23          radiotelephone service and a prepaid calling service, occurs at the customer’s place  
24          of primary use.

1 (e) The sale of a postpaid calling service occurs at the location where the signal  
2 of the telecommunications service originates, as first identified by the seller's  
3 telecommunications system or, if the signal is not transmitted by the seller's  
4 telecommunications system, by information that the seller received from the seller's  
5 service provider.

6 (f) The sale of a prepaid calling service occurs at the location determined under  
7 sub. (1) (b), except that, if the service is a mobile telecommunications service and the  
8 location cannot be determined under sub. (1) (b) 1. to 4., the prepaid calling service  
9 occurs at the location determined under sub. (1) (b) 5. c. or at the location associated  
10 with the mobile telephone number, as determined by the seller.

11 (g) 1. The sale of a private communication service for a separate charge related  
12 to a customer channel termination point occurs at the location of the customer  
13 channel termination point.

14 2. The sale of a private communication service in which all customer channel  
15 termination points are located entirely in one taxing jurisdiction for sales and use  
16 tax purposes occurs in the taxing jurisdiction in which the customer channel  
17 termination points are located.

18 3. If the segments are charged separately, the sale of a private communication  
19 service that represents segments of a communications channel between 2 customer  
20 channel termination points that are located in different taxing jurisdictions for sales  
21 and use tax purposes occurs in an equal percentage in both such jurisdictions.

22 4. If the segments are not charged separately, the sale of a private  
23 communication service for segments of a communications channel that is located in  
24 more than one taxing jurisdiction for sales and use tax purposes occurs in each such  
25 jurisdiction in a percentage determined by dividing the number of customer channel



1 termination points in that jurisdiction by the number of customer channel  
2 termination points in all jurisdictions where segments of the communications  
3 channel are located.

4 (4) FLORISTS. (a) For purposes of this subsection, “retail florist” means a person  
5 engaged in the business of selling cut flowers, floral arrangements, and potted plants  
6 and who prepares such flowers, floral arrangements, and potted plants. “Retail  
7 florist” does not include a person who sells cut flowers, floral arrangements, and  
8 potted plants primarily by mail or via the Internet.

9 (b) The sale of tangible personal property by a retail florist who takes an order  
10 from a purchaser occurs at the location where the retail florist takes the order, if the  
11 retail florist forwards the order to another retail florist who is at a location other than  
12 the location of the florist who takes the order and who transfers the tangible personal  
13 property to a person identified by the purchaser.

14 (c) This subsection does not apply to sales occurring on or after January 1, 2006.

15 \*–0303/4.69\* SECTION 1540. 77.523 (title) of the statutes is repealed.

16 \*–0303/4.70\* SECTION 1541. 77.523 of the statutes is renumbered 77.59 (9p)

17 (a) and amended to read:

18 77.59 (9p) (a) If a customer purchases a service that is subject to 4 USC 116  
19 to 126, as amended by P.L. 106–252, and if the customer believes that the amount  
20 of the tax assessed for the service under this subchapter or the place of primary use  
21 or taxing jurisdiction assigned to the service is erroneous, the customer may request  
22 that the service provider correct the alleged error by sending a written notice to the  
23 service provider. The notice shall include a description of the alleged error, the street  
24 address for the customer’s place of primary use of the service, the account name and  
25 number of the service for which the customer seeks a correction, and any other

1 information that the service provider reasonably requires to process the request.  
2 Within 60 days from the date that a service provider receives a request under this  
3 section paragraph, the service provider shall review its records to determine the  
4 customer's taxing jurisdiction. If the review indicates that there is no error as  
5 alleged, the service provider shall explain the findings of the review in writing to the  
6 customer. If the review indicates that there is an error as alleged, the service  
7 provider shall correct the error and shall refund or credit the amount of any tax  
8 collected erroneously, along with the related interest, as a result of the error from the  
9 customer in the previous 48 months, consistent with s. 77.59 (4). A customer may  
10 take no other action, or commence any action, to correct an alleged error in the  
11 amount of the tax assessed under this subchapter on a service that is subject to 4 USC  
12 116 to 126, as amended by P.L. 106–252, or to correct an alleged error in the assigned  
13 place of primary use or taxing jurisdiction, unless the customer has exhausted his  
14 or her remedies under this section paragraph.

15       \*–0303/4.71\* **SECTION 1542.** 77.524 (1) (a) of the statutes is renumbered 77.524  
16 (1) (am).

17       \*–0303/4.72\* **SECTION 1543.** 77.524 (1) (ag) of the statutes is created to read:  
18 77.524 (1) (ag) "Agent" means a person appointed by a seller to represent the  
19 seller before the states that are signatories to the agreement, as defined in 77.65 (2)  
20 (a).

21       \*–0303/4.73\* **SECTION 1544.** 77.524 (1) (b) of the statutes is renumbered 77.51  
22 (1g).

23       \*–1796/3.14\* **SECTION 1545.** 77.53 (1) of the statutes is amended to read:  
24 77.53 (1) Except as provided in sub. (1m), an excise tax is levied and imposed  
25 on the use or consumption in this state of taxable services under s. 77.52 purchased

1 from any retailer, at the rate of 5% of the sales price of those services; on the storage,  
2 use or other consumption in this state of tangible personal property purchased from  
3 any retailer, at the rate of 5% of the sales price of that property; on the storage, use,  
4 or other consumption of audiovisual works, finished artwork, literary works, and  
5 audio works purchased from any retailer and delivered electronically to the  
6 purchaser, at the rate of 5% of the sales price of such items; and on the storage, use  
7 or other consumption of tangible personal property manufactured, processed or  
8 otherwise altered, in or outside this state, by the person who stores, uses or consumes  
9 it, from material purchased from any retailer, at the rate of 5% of the sales price of  
10 that material.

11 **\*-0303/4.74\* SECTION 1546.** 77.53 (1) of the statutes, as affected by 2005  
12 Wisconsin Act .... (this act), is repealed and recreated to read:

13 77.53 (1) Except as provided in sub. (1m), an excise tax is levied and imposed  
14 on the use or consumption in this state of coins, stamps, leased property, and taxable  
15 services under s. 77.52 purchased from any retailer, at the rate of 5% of the purchase  
16 price of such coins, stamps, leased property, and services; on the storage, use or other  
17 consumption in this state of tangible personal property purchased from any retailer,  
18 at the rate of 5% of the purchase price of that property; on the storage, use, or other  
19 consumption of audiovisual works, finished artwork, literary works, and audio  
20 works purchased from any retailer and delivered electronically to the purchaser, at  
21 the rate of 5% of the purchase price of such items; and on the storage, use or other  
22 consumption of tangible personal property manufactured, processed or otherwise  
23 altered, in or outside this state, by the person who stores, uses or consumes it, from  
24 material purchased from any retailer, at the rate of 5% of the purchase price of that  
25 material.

\*\*\*NOTE: This is reconciled s. 77.53 (1). This SECTION has been affected by LRB-1796/1.

1 ~~\*-0743/1.1\* SECTION 1547. 77.53 (1r) of the statutes is created to read:~~

2 77.53 (1r) Notwithstanding any other provision in subchs. III and V, a retailer  
3 not engaged in business in this state and making sales of tangible personal property  
4 or taxable services for delivery into this state or with direct or indirect knowledge  
5 that the property or service is intended for storage, use, or other consumption in this  
6 state shall, at the time of making a sale or if the storage, use, or other consumption  
7 of the tangible personal property or taxable service is not then taxable, at the time  
8 that the storage, use, or other consumption of the property or service becomes taxable  
9 under this section, collect the tax from the purchaser, as authorized under federal  
10 law, and give the purchaser a receipt in the manner and form prescribed by the  
11 department.

12 \*-0303/4.75\* SECTION 1548. 77.53 (3) of the statutes is amended to read:

13 77.53 (3) Every retailer engaged in business in this state and making sales of  
14 tangible personal property or taxable services for delivery into this state or with  
15 knowledge directly or indirectly that the property or service is intended for storage,  
16 use or other consumption in that are sourced to this state under s. 77.522, shall, at  
17 the time of making the sales or, if the storage, use or other consumption of the  
18 tangible personal property or taxable service is not then taxable under this section,  
19 at the time the storage, use or other consumption becomes taxable, collect the tax  
20 from the purchaser and give to the purchaser a receipt in the manner and form  
21 prescribed by the department.

22 \*-0303/4.76\* SECTION 1549. 77.53 (4) of the statutes is repealed.

23 \*-0303/4.77\* SECTION 1550. 77.53 (9) of the statutes is amended to read:

1           77.53 (9) Every retailer selling tangible personal property or taxable services  
2           for storage, use or other consumption in this state shall register with the department  
3           and obtain a certificate under s. 73.03 (50) and give the name and address of all  
4           agents operating in this state, the location of all distribution or sales houses or offices  
5           or other places of business in this state, the standard industrial code classification  
6           of each place of business in this state and the other information that the department  
7           requires. Any person who may register under this subsection may designate an  
8           agent, as defined in s. 77.524 (1) (ag), to register with the department under this  
9           subsection, in the manner prescribed by the department.

10           \*–0303/4.78\* **SECTION 1551.** 77.53 (9m) of the statutes is renumbered 77.53  
11           (9m) (a).

12           \*–0303/4.79\* **SECTION 1552.** 77.53 (9m) (b) of the statutes is created to read:  
13           77.53 (9m) (b) Any person who may register under par. (a) may designate an  
14           agent, as defined in s. 77.524 (1) (ag), to register with the department under par. (a),  
15           in the manner prescribed by the department.

16           \*–0303/4.80\* **SECTION 1553.** 77.53 (9m) (c) of the statutes is created to read:  
17           77.53 (9m) (c) The registration under par. (a) by a person who is not otherwise  
18           required to collect any tax imposed by this subchapter shall not be used as a factor  
19           in determining whether the seller has nexus with this state for any tax at any time.

20           \*–0303/4.81\* **SECTION 1554.** 77.53 (10) of the statutes is amended to read:  
21           77.53 (10) For the purpose of the proper administration of this section and to  
22           prevent evasion of the use tax and the duty to collect the use tax, it is presumed that  
23           tangible personal property or taxable services sold by any person for delivery in this  
24           state is sold for storage, use, or other consumption in this state until the contrary is  
25           established. The burden of proving the contrary is upon the person who makes the

1 sale unless that person takes from the purchaser ~~a~~ an electronic or paper certificate,  
2 in a manner prescribed by department, to the effect that the property or taxable  
3 service is purchased for resale, or otherwise exempt from the tax; except that no  
4 certificate is required for sales of cattle, sheep, goats, and pigs that are sold at an  
5 animal market, as defined in s. 95.68 (1) (ag), and no certificate is required for sales  
6 of commodities, as defined in 7 USC 2, that are consigned for sale in a warehouse in  
7 or from which the commodity is deliverable on a contract for future delivery subject  
8 to the rules of a commodity market regulated by the U.S. commodity futures trading  
9 commission if upon the sale the commodity is not removed from the warehouse the  
10 sale of tangible personal property that is exempt under s. 77.54 (7), (7m), (8), (10),  
11 (11), (14), (14b), (15), (17), (20n), (21), (22b), (30), (31), (32), (35), (36), (37), (42), (44),  
12 (45), and (46), except as provided in s. 77.54 (30) (e) and (f).

13 **\*-0303/4.82\* SECTION 1555.** 77.53 (11) of the statutes is amended to read:

14 77.53 (11) The certificate referred to in sub. (10) relieves the person selling the  
15 property or service from the burden of proof only if taken in good faith from a person  
16 who is engaged as a seller of tangible personal property or taxable services and who  
17 holds the permit provided for by s. 77.52 (9) and who, at the time of purchasing that  
18 the person purchases the tangible personal property or taxable service, intends to  
19 sell it in the regular course of operations or is unable to ascertain at the time of  
20 purchase whether the property or service will be sold or will be used for some other  
21 purpose, or if taken in good faith from a person claiming exemption. The certificate  
22 under sub. (10) shall not relieve the seller of the burden of proof if the sale is sourced  
23 to this state under s. 77.522 (1) (b) 1. and the claimed exemption is not provided for  
24 under this subchapter or if the seller fraudulently fails to collect sales tax or solicit  
25 the purchaser to claim an unlawful exemption. The certificate shall be signed by and

1 ~~bear the name and address of~~ provide information that identifies the purchaser and  
2 ~~shall indicate the number of the permit issued to the purchaser, the general~~  
3 ~~character of tangible personal property or taxable service sold by the purchaser and~~  
4 ~~the basis for the claimed exemption and a paper certificate shall be signed by the~~  
5 ~~purchaser.~~ The certificate shall be substantially in the form that the department  
6 prescribes by rule.

7       **\*-0303/4.83\* SECTION 1556.** 77.53 (16) of the statutes is amended to read:

8       77.53 (16) If the purchase, rental or lease of tangible personal property or  
9 service subject to the tax imposed by this section was subject to a sales tax by another  
10 state in which the purchase was made, the amount of sales tax paid the other state  
11 shall be applied as a credit against and deducted from the tax, to the extent thereof,  
12 imposed by this section, except no credit may be applied against and deducted from  
13 a sales tax paid on the purchase of direct mail, if the direct mail purchaser did not  
14 provide to the seller a direct pay permit, a direct mail form, or other information that  
15 indicates the appropriate taxing jurisdiction to which the direct mail is delivered to  
16 the ultimate recipients. In this subsection "sales tax" includes a use or excise tax  
17 imposed on the use of tangible personal property or taxable service by the state in  
18 which the sale occurred and "state" includes the District of Columbia but does not  
19 include the commonwealth of Puerto Rico or the several territories organized by  
20 congress.

21       **\*-0303/4.84\* SECTION 1557.** 77.53 (17) of the statutes is amended to read:

22       77.53 (17) This section does not apply to tangible personal property purchased  
23 outside this state, as determined under s. 77.522, other than motor vehicles, boats,  
24 snowmobiles, mobile homes not exceeding 45 feet in length, trailers, semitrailers,  
25 all-terrain vehicles and airplanes registered or titled or required to be registered or

1 titled in this state, which is brought into this state by a nondomiciliary for the  
2 person's own storage, use or other consumption while temporarily within this state  
3 when such property is not stored, used or otherwise consumed in this state in the  
4 conduct of a trade, occupation, business or profession or in the performance of  
5 personal services for wages or fees.

6 **\*-0303/4.85\* SECTION 1558.** 77.53 (17m) of the statutes is amended to read:

7 77.53 (17m) This section does not apply to a boat purchased in a state  
8 contiguous to this state, as determined under s. 77.522, by a person domiciled in that  
9 state if the boat is berthed in this state's boundary waters adjacent to the state of the  
10 domicile of the purchaser and if the transaction was an exempt occasional sale under  
11 the laws of the state in which the purchase was made.

12 **\*-0303/4.86\* SECTION 1559.** 77.53 (17r) (a) of the statutes is amended to read:

13 77.53 (17r) (a) It is purchased in another state, as determined under s. 77.522.

14 **\*-0303/4.87\* SECTION 1560.** 77.53 (18) of the statutes is amended to read:

15 77.53 (18) This section does not apply to the storage, use or other consumption  
16 in this state of household goods for personal use or to aircraft, motor vehicles, boats,  
17 snowmobiles, mobile homes, trailers, semitrailers and all-terrain vehicles, for  
18 personal use, purchased by a nondomiciliary of this state outside this state, as  
19 determined under s. 77.522, 90 days or more before bringing the goods or property  
20 into this state in connection with a change of domicile to this state.

21 **\*-0303/4.88\* SECTION 1561.** 77.54 (1) of the statutes is amended to read:

22 77.54 (1) The ~~gross receipts~~ sales price from the sale of and the storage, use or  
23 other consumption in this state of tangible personal property and services the ~~gross~~  
24 ~~receipts~~ sales price from the sale of which, or the storage, use or other consumption



1 of which, this state is prohibited from taxing under the constitution or laws of the  
2 United States or under the constitution of this state.

3 **\*-0303/4.89\* SECTION 1562.** 77.54 (2) of the statutes is amended to read:

4 77.54 (2) The ~~gross receipts~~ sales price from sales of and the storage, use or  
5 other consumption of tangible personal property becoming an ingredient or  
6 component part of an article of tangible personal property or which is consumed or  
7 destroyed or loses its identity in the manufacture of tangible personal property in  
8 any form destined for sale, except as provided in sub. (30) (a) 6.

9 **\*-0303/4.90\* SECTION 1563.** 77.54 (2m) of the statutes is amended to read:

10 77.54 (2m) The ~~gross receipts~~ sales price from the sales of and the storage, use  
11 or other consumption of tangible personal property or services that become an  
12 ingredient or component of shoppers guides, newspapers or periodicals or that are  
13 consumed or lose their identity in the manufacture of shoppers guides, newspapers  
14 or periodicals, whether or not the shoppers guides, newspapers or periodicals are  
15 transferred without charge to the recipient. In this subsection, “shoppers guides”,  
16 “newspapers” and “periodicals” have the meanings under sub. (15). The exemption  
17 under this subdivision does not apply to advertising supplements that are not  
18 newspapers.

19 **\*-0303/4.91\* SECTION 1564.** 77.54 (3) (a) of the statutes is amended to read:

20 77.54 (3) (a) The ~~gross receipts~~ sales price from the sales of and the storage, use  
21 or other consumption of tractors and machines, including accessories, attachments  
22 and parts therefor, used exclusively and directly in the business of farming, including  
23 dairy farming, agriculture, horticulture, floriculture and custom farming services,  
24 but excluding automobiles, trucks, and other motor vehicles for highway use;  
25 excluding personal property that is attached to, fastened to, connected to or built into

## SECTION 1564

1 real property or that becomes an addition to, component of or capital improvement  
2 of real property and excluding tangible personal property used or consumed in the  
3 erection of buildings or in the alteration, repair or improvement of real property,  
4 regardless of any contribution that ~~that~~ the personal property makes to the  
5 production process in that building or real property and regardless of the extent to  
6 which that personal property functions as a machine.

7 **\*-0303/4.92\* SECTION 1565.** 77.54 (3m) (intro.) of the statutes is amended to  
8 read:

9 77.54 (3m) (intro.) The ~~gross receipts~~ sales price from the sale of and the  
10 storage, use or other consumption of the following items if they are used exclusively  
11 by the purchaser or user in the business of farming; including dairy farming,  
12 agriculture, horticulture, floriculture and custom farming services:

13 **\*-0303/4.93\* SECTION 1566.** 77.54 (4) of the statutes is amended to read:

14 77.54 (4) ~~Gross receipts~~ The sales price from the sale of tangible personal  
15 property, and the storage, use or other consumption in this state of tangible personal  
16 property which is the subject of any such sale, by any elementary school or secondary  
17 school, exempted as such from payment of income or franchise tax under ch. 71,  
18 whether public or private.

19 **\*-0303/4.94\* SECTION 1567.** 77.54 (5) (intro.) of the statutes is amended to  
20 read:

21 77.54 (5) (intro.) The ~~gross receipts~~ sales price from the sale of and the storage,  
22 use or other consumption of:

23 **\*-0303/4.95\* SECTION 1568.** 77.54 (6) (intro.) of the statutes is amended to  
24 read:

1           77.54 (6) (intro.) The ~~gross receipts~~ sales price from the sale of and the storage,  
2 use or other consumption of:

3           \***-0297/3.2\* SECTION 1569.** 77.54 (7m) of the statutes is amended to read:

4           77.54 (7m) Occasional sales of tangible personal property or services, including  
5 ~~but not limited to~~ admissions or tickets to an event; by a neighborhood association,  
6 church, civic group, garden club, social club or similar nonprofit organization; not  
7 involving entertainment for which payment in the aggregate exceeds \$300 \$500 for  
8 performing or as reimbursement of expenses unless access to the event may be  
9 obtained without payment of a direct or indirect admission fee; conducted by the  
10 organization if the organization is not engaged in a trade or business and is not  
11 required to have a seller's permit. For purposes of this subsection, an organization  
12 is engaged in a trade or business and is required to have a seller's permit if its sales  
13 of tangible personal property and services, not including sales of tickets to events,  
14 and its events occur on more than 20 days during the year, unless its receipts do not  
15 exceed \$15,000 \$25,000 during the year. The exemption under this subsection does  
16 not apply to gross receipts from the sale of bingo supplies to players or to the sale,  
17 rental or use of regular bingo cards, extra regular cards and special bingo cards.

18           \***-0303/4.96\* SECTION 1570.** 77.54 (8) of the statutes is amended to read:

19           77.54 (8) Charges for interest, ~~financing or insurance,~~ not including contracts  
20 under s. 77.52 (2) (a) 13m., where such charges are separately set forth upon the  
21 invoice given by the seller to the purchaser.

22           \***-0303/4.97\* SECTION 1571.** 77.54 (9) of the statutes is amended to read:

23           77.54 (9) The ~~gross receipts~~ sales price from sales of tickets or admissions to  
24 public and private elementary and secondary school activities, where the entire net  
25 proceeds therefrom are expended for educational, religious or charitable purposes.

1           \***-0303/4.98\* SECTION 1572.** 77.54 (9a) (intro.) of the statutes is amended to  
2 read:

3           77.54 (9a) (intro.) The ~~gross receipts~~ sales price from sales to, and the storage  
4 by, use by or other consumption of tangible personal property and taxable services  
5 by:

6           \***-0303/4.99\* SECTION 1573.** 77.54 (10) of the statutes is amended to read:

7           77.54 (10) The ~~gross receipts~~ sales price from the sale of all admission fees,  
8 admission stickers or camping fees under s. 27.01 (7) to (11) and all admission fees  
9 to any museum operated by a nonprofit corporation under a lease agreement with  
10 the state historical society.

11          \***-0303/4.100\* SECTION 1574.** 77.54 (11) of the statutes is amended to read:

12          77.54 (11) The ~~gross receipts~~ sales price from the sales of and the storage, use  
13 or other consumption in this state of motor vehicle fuel, general aviation fuel or  
14 alternate fuel, subject to taxation under ch. 78, unless the motor vehicle fuel or  
15 alternate fuel tax is refunded under s. 78.75 because the buyer does not use the fuel  
16 in operating a motor vehicle upon the public highways.

17          \***-0303/4.101\* SECTION 1575.** 77.54 (12) of the statutes is amended to read:

18          77.54 (12) The ~~gross receipts~~ sales price from the sales of and the storage, use  
19 or other consumption in this state of rail freight or passenger cars, locomotives or  
20 other rolling stock used in railroad operations, or accessories, attachments, parts,  
21 lubricants or fuel therefor.

22          \***-0303/4.102\* SECTION 1576.** 77.54 (13) of the statutes is amended to read:

23          77.54 (13) The ~~gross receipts~~ sales price from the sales of and the storage, use  
24 or other consumption in this state of commercial vessels and barges of 50-ton burden

1 or over primarily engaged in interstate or foreign commerce or commercial fishing,  
2 and the accessories, attachments, parts and fuel therefor.

3 \*–0303/4.103\* SECTION 1577. 77.54 (14) (intro.) of the statutes is amended to  
4 read:

5 77.54 (14) (intro.) The ~~gross receipts~~ sales price from the sales of and the  
6 storage, use, or other consumption in this state of ~~medicines~~ drugs that are any of  
7 the following:

8 \*–0303/4.104\* SECTION 1578. 77.54 (14) (a) of the statutes is amended to read:

9 77.54 (14) (a) Prescribed for the treatment of a human being by a person  
10 authorized to prescribe the ~~medicines~~ drugs, and dispensed on prescription filled by  
11 a registered pharmacist in accordance with law.

12 \*–0303/4.105\* SECTION 1579. 77.54 (14) (b) of the statutes is amended to read:

13 77.54 (14) (b) Furnished by a licensed physician, surgeon, podiatrist, or dentist  
14 to a patient who is a human being for treatment of the patient.

15 \*–0303/4.106\* SECTION 1580. 77.54 (14) (f) of the statutes is amended to read:

16 77.54 (14) (f) Furnished without charge to a physician, surgeon, nurse  
17 anesthetist, advanced practice nurse, osteopath, dentist who is licensed under ch.  
18 447, podiatrist who is licensed under ch. 448, or optometrist who is licensed under  
19 ch. 449 if the ~~medicine~~ drug may not be dispensed without a prescription.

20 \*–0303/4.107\* SECTION 1581. 77.54 (14b) of the statutes is created to read:

21 77.54 (14b) The sales price from the sales of and the storage, use, or other  
22 consumption of bandages, dressings, syringes, and similar items that are bundled  
23 together with drugs that are exempt under sub. (14) for sale by the seller as a single  
24 product or piece of merchandise.

25 \*–0303/4.108\* SECTION 1582. 77.54 (14g) of the statutes is repealed.

1           \*–0303/4.109\* SECTION 1583. 77.54 (14s) of the statutes is repealed.

2           \*–0303/4.110\* SECTION 1584. 77.54 (15) of the statutes is amended to read:

3           77.54 (15) The gross receipts sales price from the sale of and the storage, use  
4           or other consumption of all newspapers, of periodicals sold by subscription and  
5           regularly issued at average intervals not exceeding 3 months, or issued at average  
6           intervals not exceeding 6 months by an educational association or corporation sales  
7           to which are exempt under sub. (9a) (f), of controlled circulation publications sold to  
8           commercial publishers for distribution without charge or mainly without charge or  
9           regularly distributed by or on behalf of publishers without charge or mainly without  
10          charge to the recipient and of shoppers guides which distribute no less than 48 issues  
11          in a 12-month period. In this subsection, “shoppers guide” means a community  
12          publication delivered, or attempted to be delivered, to most of the households in its  
13          coverage area without a required subscription fee, which advertises a broad range  
14          of products and services offered by several types of businesses and individuals. In  
15          this subsection, “controlled circulation publication” means a publication that has at  
16          least 24 pages, is issued at regular intervals not exceeding 3 months, that devotes  
17          not more than 75% of its pages to advertising and that is not conducted as an  
18          auxiliary to, and essentially for the advancement of, the main business or calling of  
19          the person that owns and controls it.

20          \*–0303/4.111\* SECTION 1585. 77.54 (16) of the statutes is amended to read:

21          77.54 (16) The gross receipts sales price from the sale of and the storage, use  
22          or other consumption of fire trucks and fire fighting equipment, including  
23          accessories, attachments, parts and supplies therefor, sold to volunteer fire  
24          departments.

25          \*–0303/4.112\* SECTION 1586. 77.54 (17) of the statutes is amended to read:

1           77.54 (17) The ~~gross receipts~~ sales price from the sales of and the storage, use  
2           or other consumption of water, that is not food and food ingredient, when delivered  
3           through mains.

4           \***-0303/4.113\*** **SECTION 1587.** 77.54 (18) of the statutes is amended to read:

5           77.54 (18) When the sale, lease or rental of a service or property that was  
6           previously exempt or not taxable under this subchapter becomes taxable, and the  
7           service or property is furnished under a written contract by which the seller is  
8           unconditionally obligated to provide the service or property for the amount fixed  
9           under the contract, the seller is exempt from sales or use tax on the ~~gross receipts~~  
10          sales price for services or property provided until the contract is terminated,  
11          extended, renewed or modified. However, from the time the service or property  
12          becomes taxable until the contract is terminated, extended, renewed or modified the  
13          user is subject to use tax, measured by the sales purchase price, on the service or  
14          property purchased under the contract.

15          \***-0303/4.114\*** **SECTION 1588.** 77.54 (20) of the statutes, as affected by 2005  
16          Wisconsin Act .... (this act), is repealed.

          \*\*\*NOTE: This is reconciled s. 77.54 (20). This SECTION has been affected by  
LRB-0303/2 and LRB-0404/3.

17          \***-0404/4.113\*** **SECTION 1589.** 77.54 (20) (c) 4. of the statutes is amended to  
18          read:

19          77.54 (20) (c) 4. Taxable sales do not include meals, food, food products, or  
20          beverages sold by hospitals, sanatoriums, nursing homes, retirement homes,  
21          community-based residential facilities, as defined in s. 50.01 (1g), or day care centers  
22          registered licensed under ch. 48 49 and served at a hospital, sanatorium, nursing  
23          home, retirement home, community-based residential facility, or day care center. In

1 this subdivision “retirement home” means a nonprofit residential facility where 3 or  
2 more unrelated adults or their spouses have their principal residence and where  
3 support services, including meals from a common kitchen, are available to residents.  
4 Taxable sales do not include meals, food, food products, or beverages sold to the  
5 elderly or handicapped by persons providing “mobile meals on wheels”.

6 **\*-0303/4.115\* SECTION 1590.** 77.54 (20m) of the statutes is repealed.

7 **\*-0303/4.116\* SECTION 1591.** 77.54 (20n) of the statutes is created to read:

8 77.54 (20n) (a) The sales price from the sale of and the storage, use, or other  
9 consumption of food and food ingredients, except candy, soft drinks, dietary  
10 supplements, and prepared food.

11 (b) The sales price from the sale of and the storage, use, or other consumption  
12 of food and food ingredients, except soft drinks, sold by hospitals, sanatoriums,  
13 nursing homes, retirement homes, community-based residential facilities, as  
14 defined in s. 50.01 (1g), or day care centers registered under ch. 48, including  
15 prepared food that is sold to the elderly or handicapped by persons providing mobile  
16 meals on wheels. In this paragraph, “retirement home” means a nonprofit  
17 residential facility where 3 or more unrelated adults or their spouses have their  
18 principal residence and where support services, including meals from a common  
19 kitchen, are available to residents.

20 (c) The sales price from the sale of and the storage, use, or other consumption  
21 of food and food ingredients, furnished in accordance with any contract or agreement  
22 or paid for to such institution through the use of an account of such institution, by  
23 a public or private institution of higher education to any of the following:

24 1. An undergraduate student, a graduate student, or a student enrolled in a  
25 professional school if the student is enrolled for credit at the public or private



1 institution of higher education and if the food and food ingredients are consumed by  
2 the student.

3 2. A national football league team.

4 **\*-0303/4.117\* SECTION 1592.** 77.54 (20r) of the statutes is created to read:

5 77.54 (20r) The sales price from the sales of and the storage, use, or other  
6 consumption of candy, soft drinks, dietary supplements, and prepared foods, and  
7 disposable products that are transferred with such items, furnished for no  
8 consideration by a restaurant to the restaurant's employee during the employee's  
9 work hours.

10 **\*-0303/4.118\* SECTION 1593.** 77.54 (21) of the statutes is amended to read:

11 77.54 (21) The ~~gross receipts~~ sales price from the sales of and the storage, use  
12 or other consumption of caskets and burial vaults for human remains.

13 **\*-0303/4.119\* SECTION 1594.** 77.54 (22) of the statutes is repealed.

14 **\*-0303/4.120\* SECTION 1595.** 77.54 (22b) of the statutes is created to read:

15 77.54 (22b) The sales price from the sale of and the storage, use, or other  
16 consumption of durable medical equipment that is for use in a person's home,  
17 mobility-enhancing equipment, and prosthetic devices, and accessories for such  
18 equipment or devices, if the equipment or devices are used for a human being.

19 **\*-0303/4.121\* SECTION 1596.** 77.54 (23m) of the statutes is amended to read:

20 77.54 (23m) The ~~gross receipts~~ sales price from the sale, lease or rental of or  
21 the storage, use or other consumption of motion picture film or tape, and advertising  
22 materials related thereto, sold, leased or rented to a motion picture theater or radio  
23 or television station.

24 **\*-0303/4.122\* SECTION 1597.** 77.54 (25) of the statutes is amended to read:

1           77.54 (25) The ~~gross receipts~~ sales price from the sale of and the storage of  
2           printed material which is designed to advertise and promote the sale of merchandise,  
3           or to advertise the services of individual business firms, which printed material is  
4           purchased and stored for the purpose of subsequently transporting it outside the  
5           state by the purchaser for use thereafter solely outside the state.

6           **\*-0303/4.123\* SECTION 1598.** 77.54 (26) of the statutes is amended to read:

7           77.54 (26) The ~~gross receipts~~ sales price from the sales of and the storage, use,  
8           or other consumption of tangible personal property which becomes a component part  
9           of an industrial waste treatment facility that is exempt under s. 70.11 (21) (a) or that  
10          would be exempt under s. 70.11 (21) (a) if the property were taxable under ch. 70, or  
11          tangible personal property which becomes a component part of a waste treatment  
12          facility of this state or any agency thereof, or any political subdivision of the state or  
13          agency thereof as provided in s. 40.02 (28). The exemption includes replacement  
14          parts therefor, and also applies to chemicals and supplies used or consumed in  
15          operating a waste treatment facility and to purchases of tangible personal property  
16          made by construction contractors who transfer such property to their customers in  
17          fulfillment of a real property construction activity. This exemption does not apply  
18          to tangible personal property installed in fulfillment of a written construction  
19          contract entered into, or a formal written bid made, prior to July 31, 1975.

20          **\*-0303/4.124\* SECTION 1599.** 77.54 (26m) of the statutes is amended to read:

21          77.54 (26m) The ~~gross receipts~~ sales price from the sale of and the storage, use  
22          or other consumption of waste reduction or recycling machinery and equipment,  
23          including parts therefor, exclusively and directly used for waste reduction or  
24          recycling activities which reduce the amount of solid waste generated, reuse solid  
25          waste, recycle solid waste, compost solid waste or recover energy from solid waste.

1 The exemption applies even though an economically useful end product results from  
2 the use of the machinery and equipment. For the purposes of this subsection, “solid  
3 waste” means garbage, refuse, sludge or other materials or articles, whether these  
4 materials or articles are discarded or purchased, including solid, semisolid, liquid or  
5 contained gaseous materials or articles resulting from industrial, commercial,  
6 mining or agricultural operations or from domestic use or from public service  
7 activities.

8 **\*-0303/4.125\* SECTION 1600.** 77.54 (27) of the statutes is amended to read:

9 77.54 (27) The ~~gross receipts~~ sales price from the sale of semen used for  
10 artificial insemination of livestock.

11 **\*-0303/4.126\* SECTION 1601.** 77.54 (28) of the statutes is amended to read:

12 77.54 (28) The gross receipts from the sale of and the storage, use or other  
13 consumption to or by the ultimate consumer of ~~apparatus or equipment for the~~  
14 ~~injection of insulin or the treatment of diabetes and~~ supplies used to determine blood  
15 sugar level.

16 **\*-0303/4.127\* SECTION 1602.** 77.54 (29) of the statutes is amended to read:

17 77.54 (29) The ~~gross receipts~~ sales price from the sales of and the storage, use  
18 or other consumption of equipment used in the production of maple syrup.

19 **\*-0303/4.128\* SECTION 1603.** 77.54 (30) (a) (intro.) of the statutes is amended  
20 to read:

21 77.54 (30) (a) (intro.) The ~~gross receipts~~ sales price from the sale of:

22 **\*-0303/4.129\* SECTION 1604.** 77.54 (30) (c) of the statutes is amended to read:

23 77.54 (30) (c) If fuel or electricity is sold partly for a use exempt under this  
24 subsection and partly for a use which is not exempt under this subsection, no tax  
25 shall be collected on that percentage of the ~~gross receipts~~ sales price equal to the

## SECTION 1604

1 percentage of the fuel or electricity which is used for an exempt use, as specified in  
2 an exemption certificate provided by the purchaser to the seller.

3 **\*-0303/4.130\* SECTION 1605.** 77.54 (31) of the statutes is amended to read:

4 77.54 (31) The ~~gross receipts~~ sales price from the sale of and the storage, use  
5 or other consumption in this state, but not the lease or rental, of used mobile homes  
6 that are primary housing units under s. 340.01 (29).

7 **\*-0303/4.131\* SECTION 1606.** 77.54 (32) of the statutes is amended to read:

8 77.54 (32) The ~~gross receipts~~ sales price from charges, including charges for a  
9 search, imposed by an authority, as defined in s. 19.32 (1), for copies of a public record  
10 that a person may examine and use under s. 16.61 (12) or for copies of a record under  
11 s. 19.35 (1).

12 **\*-0303/4.132\* SECTION 1607.** 77.54 (33) of the statutes is amended to read:

13 77.54 (33) The ~~gross receipts~~ sales price from sales of and the storage, use or  
14 other consumption of ~~medicines~~ drugs used on farm livestock, not including  
15 workstock.

16 **\*-0303/4.133\* SECTION 1608.** 77.54 (34) of the statutes is amended to read:

17 77.54 (34) The ~~gross receipts~~ sales price from the sale of and the storage, use  
18 or other consumption of milk house supplies used exclusively in producing and  
19 handling milk on dairy farms.

20 **\*-0303/4.134\* SECTION 1609.** 77.54 (35) of the statutes is amended to read:

21 77.54 (35) The ~~gross receipts~~ sales price from the sales of tangible personal  
22 property, tickets or admissions by any baseball team affiliated with the Wisconsin  
23 Department of American Legion baseball.

24 **\*-0303/4.135\* SECTION 1610.** 77.54 (36) of the statutes is amended to read:

1           77.54 (36) The ~~gross receipts~~ sales price from the rental for a continuous period  
2 of one month or more of a mobile home, as defined in s. 66.0435 (1) (d), that is used  
3 as a residence. In this subsection, “one month” means a calendar month or 30 days,  
4 whichever is less, counting the first day of the rental and not counting the last day  
5 of the rental.

6           \*–0303/4.136\* **SECTION 1611.** 77.54 (37) of the statutes is amended to read:

7           77.54 (37) The ~~gross receipts~~ sales price from revenues collected under s.  
8 146.70 (3) and the surcharge established by rule by the public service commission  
9 under s. 146.70 (3m) (f) for customers of wireless providers, as defined in s. 146.70  
10 (3m) (a) 6.

11           \*–0303/4.137\* **SECTION 1612.** 77.54 (38) of the statutes is amended to read:

12           77.54 (38) The ~~gross receipts~~ sales price from the sale of and the storage, use  
13 or other consumption of snowmobile trail groomers and attachments for them that  
14 are purchased, stored, used or consumed by a snowmobile club that meets at least  
15 3 times a year, that has at least 10 members, that promotes snowmobiling and that  
16 participates in the department of natural resources’ snowmobile program under s.  
17 350.12 (4) (b).

18           \*–0303/4.138\* **SECTION 1613.** 77.54 (39) of the statutes is amended to read:

19           77.54 (39) The ~~gross receipts~~ sales price from the sale of and the storage, use  
20 or other consumption of off-highway, heavy mechanical equipment such as feller  
21 bunchers, slashers, delimbers, chippers, hydraulic loaders, loaders,  
22 skidder-forwarders, skidders, timber wagons and tractors used exclusively and  
23 directly in the harvesting or processing of raw timber products in the field by a person  
24 in the logging business. In this subsection, “heavy mechanical equipment” does not  
25 include hand tools such as axes, chains, chain saws and wedges.

## SECTION 1614

1           \*–0303/4.139\* SECTION 1614. 77.54 (40) of the statutes is repealed.

2           \*–0303/4.140\* SECTION 1615. 77.54 (41) of the statutes is amended to read:

3           77.54 (41) The ~~gross receipts~~ sales price from the sale of building materials,  
4 supplies and equipment to; and the storage, use or other consumption of those kinds  
5 of property by; owners, contractors, subcontractors or builders if that property is  
6 acquired solely for or used solely in, the construction, renovation or development of  
7 property that would be exempt under s. 70.11 (36).

8           \*–0303/4.141\* SECTION 1616. 77.54 (42) of the statutes is amended to read:

9           77.54 (42) The ~~gross receipts~~ sales price from the sale of and the storage, use  
10 or other consumption of animal identification tags provided under s. 93.06 (1h) and  
11 standard samples provided under s. 93.06 (1s).

12          \*–0303/4.142\* SECTION 1617. 77.54 (43) of the statutes is amended to read:

13          77.54 (43) The ~~gross receipts~~ sales price from the sale of and the storage, use  
14 or other consumption of raw materials used for the processing, fabricating or  
15 manufacturing of, or the attaching to or incorporating into, printed materials that  
16 are transported and used solely outside this state.

17          \*–0303/4.143\* SECTION 1618. 77.54 (44) of the statutes is amended to read:

18          77.54 (44) The ~~gross receipts~~ sales price from the collection of public benefits  
19 fees that are charged under s. 16.957 (4) (a) or (5) (a).

20          \*–0303/4.144\* SECTION 1619. 77.54 (45) of the statutes is amended to read:

21          77.54 (45) The ~~gross receipts~~ sales price from the sale of and the use or other  
22 consumption of a onetime license or similar right to purchase admission to  
23 professional football games at a football stadium, as defined in s. 229.821 (6), that  
24 is granted by a municipality; a local professional football stadium district; or a  
25 professional football team or related party, as defined in s. 229.821 (12); if the person

1 who buys the license or right is entitled, at the time the license or right is transferred  
2 to the person, to purchase admission to at least 3 professional football games in this  
3 state during one football season.

4 **\*-0303/4.145\* SECTION 1620.** 77.54 (46) of the statutes is amended to read:

5 77.54 (46) The ~~gross receipts~~ sales price from the sale of and the storage, use,  
6 or other consumption of the U.S. flag or the state flag. This subsection does not apply  
7 to a representation of the U.S. flag or the state flag.

8 **\*-0303/4.146\* SECTION 1621.** 77.54 (46m) of the statutes is amended to read:

9 77.54 (46m) The ~~gross receipts~~ sales price from the sale of and the storage, use,  
10 or other consumption of telecommunications services, if the telecommunications  
11 services are obtained by using the rights to purchase telecommunications services,  
12 including purchasing reauthorization numbers, by paying in advance and by using  
13 an access number and authorization code; and if the tax imposed under s. 77.52 or  
14 77.53 was previously paid on the sale or purchase of such rights.

15 **\*-1796/3.15\* SECTION 1622.** 77.54 (48) of the statutes is created to read:

16 77.54 (48) The gross receipts from the sale of and the storage, use, or other  
17 consumption of audiovisual works, finished artwork, literary works, and audio  
18 works that are delivered electronically to the purchaser, if the sale of and the storage,  
19 use, or other consumption of such items sold in a tangible form is exempt from  
20 taxation under this subchapter.

21 **\*-0303/4.147\* SECTION 1623.** 77.55 (1) (intro.) of the statutes is amended to  
22 read:

23 77.55 (1) (intro.) There are is exempted from the computation of the amount  
24 of the sales tax the ~~gross receipts~~ sales price from the sale of any tangible personal  
25 property or services to:

1           \***-0303/4.148\*** SECTION 1624. 77.55 (2) of the statutes is amended to read:

2           77.55 (2) There ~~are~~ is exempted from the computation of the amount of the sales  
3 tax the ~~gross receipts~~ sales price from sales of tangible personal property to a  
4 common or contract carrier, shipped by the seller via the purchasing carrier under  
5 a bill of lading whether the freight is paid in advance, or the shipment is made freight  
6 charges collect, to a point outside this state and the property is actually transported  
7 to the out-of-state destination for use by the carrier in the conduct of its business  
8 as a carrier.

9           \***-0303/4.149\*** SECTION 1625. 77.55 (2m) of the statutes is amended to read:

10          77.55 (2m) There ~~are~~ is exempted from the computation of the amount of sales  
11 tax the ~~gross receipts~~ sales price from sales of railroad crossties to a common or  
12 contract carrier, shipped wholly or in part by way of the purchasing carrier under a  
13 bill of lading, whether the freight is paid in advance or the shipment is made freight  
14 charges collect, to a point outside this state if the property is transported to the  
15 out-of-state destination for use by the carrier in the conduct of its business as a  
16 carrier. Interruption of the shipment for storage, drying, processing or creosoting of  
17 the railroad crossties in this state does not invalidate the exemption under this  
18 subsection.

19          \***-0303/4.150\*** SECTION 1626. 77.55 (3) of the statutes is amended to read:

20          77.55 (3) There ~~are~~ is exempted from the computation of the amount of the sales  
21 tax the ~~gross receipts~~ sales price from sales of tangible personal property purchased  
22 for use solely outside this state and delivered to a forwarding agent, export packer,  
23 or other person engaged in the business of preparing goods for export or arranging  
24 for their exportation, and actually delivered to a port outside the continental limits  
25 of the United States prior to making any use thereof.



1           \*~~0303/4.151~~\* SECTION 1627. 77.56 (1) of the statutes is amended to read:

2           77.56 (1) The storage, use or other consumption in this state of property, the  
3           ~~gross receipts~~ sales price from the sale of which are is reported to the department in  
4           the measure of the sales tax, is exempted from the use tax.

5           \*~~0303/4.152~~\* SECTION 1628. 77.57 of the statutes is amended to read:

6           **77.57 Liability of purchaser.** If a purchaser certifies in writing to a seller  
7           that the property purchased will be used in a manner or for a purpose entitling the  
8           seller to regard the ~~gross receipts~~ sales price from the sale as exempted by this  
9           subchapter from the computation of the amount of the sales tax and uses the property  
10          in some other manner or for some other purpose, the purchaser is liable for payment  
11          of the sales tax. The tax shall be measured by the sales price of the property to the  
12          purchaser, but if the taxable use first occurs more than 6 months after the sale to the  
13          purchaser, the purchaser may use as the measure of the tax either that sales price  
14          or the fair market value of the property at the time the taxable use first occurs.

15          \*~~0743/1.2~~\* SECTION 1629. 77.58 (3) (a) of the statutes is amended to read:

16               77.58 (3) (a) For purposes of the sales tax a return shall be filed by every seller.  
17               For purposes of the use tax a return shall be filed by every retailer engaged in  
18               business in this state, by every retailer not engaged in business in this state, as  
19               provided under s. 77.53 (1r), and by every person purchasing tangible personal  
20               property or services, the storage, use or other consumption of which is subject to the  
21               use tax, who has not paid the use tax due to a retailer required to collect the tax. If  
22               a qualified subchapter S subsidiary is not regarded as a separate entity under ch. 71,  
23               the owner of that subsidiary shall include the information for that subsidiary on the  
24               owner's return. Returns shall be signed by the person required to file the return or  
25               by a duly authorized agent but need not be verified by oath. ~~If a single-owner entity,~~

JK

is disregarded as a separate entity under ch. 71, the owner shall include the information from the entity on the owner's return.

**\*-0303/4.153\* SECTION 1630.** 77.58 (3) (b) of the statutes is amended to read:

77.58 (3) (b) ~~For purposes of the sales tax the return shall show the gross receipts of the seller during the preceding reporting period. For purposes of the use tax, in case of a return filed by a retailer, the return shall show the total sales price of the property or taxable services sold, the storage, use or consumption of which became subject to the use tax during the preceding reporting period. In case of a sales or use tax return filed by a purchaser, the return shall show the total sales price of the property and taxable services purchased, the storage, use or consumption of which became subject to the use tax during the preceding reporting period. The~~ return shall also show the amount of the taxes for the period covered by the return and such other information as the department deems necessary for the proper administration of this subchapter.

**\*-0303/4.154\* SECTION 1631.** 77.58 (6) of the statutes is amended to read:

77.58 (6) For the purposes of the sales tax ~~gross receipts~~, the sales price from rentals or leases of tangible personal property shall be reported and the tax paid in accordance with such rules as the department prescribes.

**\*-0303/4.155\* SECTION 1632.** 77.58 (6m) of the statutes is created to read:

77.58 (6m) (a) The department may, in cases where it is satisfied that an undue hardship would otherwise result, permit the reporting of a sales price or purchase price on some basis other than the accrual basis.

(b) The entire sales price of credit transactions shall be reported in the period in which the sale is made without reduction in the amount of tax payable by the